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MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Appointments under Public Law 53, 83rd Congress

1. PROBLEM: To insure that all concerned are aware of the existing limitations on the employment of retired regular commissioned officers and warrant officers of the Armed Services.

2. ASSUMPTIONS: It is assumed that:

a. A continuing need will exist for the employment of certain highly skilled retired officers.

b. The Congress will not entertain a proposal during the foreseeable future to authorize employment of extensive numbers of retired officers.

c. The Director of Central Intelligence will desire to continue to weigh carefully the encumbrance of authorized slots.

3. FACTS BEARING ON THE PROBLEM:

a. The Act of 31 July 1894, as amended, (extract attached as Tab A) prohibits the employment of retired officers of the Armed Forces by any Agency of the Federal Government except:

(1) Those elected to public office;

(2) Those appointed to public office by and with the consent of the Senate;

(3) Those retired for injuries received in battle or for injuries or incapacity incurred in line of duty.

b. On 20 February 1951, General Walter B. Smith, then Director of Central Intelligence, addressed a proposal to the Congress to amend the Central Intelligence Act of 1949 to authorize the Agency to employ and compensate those retired officers whose employment was prohibited by law. On 26 June 1951 Congress acted favorably on General Smith's proposal and passed Public Law 53 which authorized the employment of not more than 15 such officers or warrant officers. (Copy attached as Tab B).

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c. CIA Regulation [ ] prescribes the procedures by which CIA will arrive at the employment of such retired officers. (Extract attached as Tab C). Present regulations provide for:

(1) Submission by an operating office of a request for consideration to the Personnel Division serving it who, in turn, will forward the request to -

(2) The Assistant Director (Personnel) who is charged with maintaining adequate controls and preparing appropriate requests to -

(3) The Director for his prior approval before operating officials may discuss employment possibilities with such officers.

d. In only rare instances has the Assistant Director (Personnel) been in a position to discharge his control responsibilities and advise the Director as to the commitments made for occupancy of the 15 positions. As pointed out in my memorandum to you, dated 15 May 1953 (attached as Tab D), this situation has resulted from failure of Agency offices to comply with the regulatory provisions cited above.

#### 4. DISCUSSION:

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a. As of this date, 13 of the 15 positions authorized are occupied by on-duty personnel. Three are occupied on a temporary basis ( [ ] [ ] [ ] ). General [ ] is scheduled to resign effective 30 June 1953. Colonel [ ] will probably leave after completion of a special assignment with the National Security Council. Colonel Sheffield Edwards is now in process for civilian employment and must occupy a PL 53 slot. A survey of all Offices of the Agency reveals that commitments have been made to three other regular officers who are scheduled for retirement during the next 18 months. The DD/P and AD/C are considering three other officers retired or to be retired, but these individuals have had no employment commitment made to them. (See Tab E for details).

b. To recapitulate, the status of PL 53 slots is as follows:

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No. slots now occupied . . . . .	13 (5 to be vacated in the near future.)
No. slots encumbered by in-process personnel . . . . .	1
No. slots encumbered for eventual occupancy . . . . .	3
No. of officers under consideration . . . . .	3

5. CONCLUSIONS:

a. A stringent control must be exercised on employment of or commitments to regular retired commissioned officers of the Armed Services.

b. Present Agency regulations provide for a satisfactory control mechanism.

c. All concerned must be made aware of the necessity for complying fully with established procedures.

6. RECOMMENDATIONS:

It is recommended that the Director sign the attached memoranda addressed to the five Agency components (Tab F) with the aim of insuring strict compliance with existing regulations, whereby the Director has an opportunity to indicate prior approval of negotiations for employment.

6 Attachments:

- A - Extract, 1894 Law
- B - PL 53, 82nd Congress
- C - Extract, CIA Regulation ☐
- D - DD/A memo to DCI, 15 May 1953
- E - Tabulation - Status of Slots
- F - Proposed Notice

SIGNED  
WALTER REID WOLF  
Deputy Director  
(Administration)

ACTION BY APPROVING AUTHORITY:

Approved:

ALLEN W. DULLES  
Director

OPD: ☐ BKS

3rd page rewritten: SA/DDA: DCK: djm

Distribution:

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